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AVAILABILITY:

"Net Metering" service is available to retail customers of the Cooperative with metered kWh usage with a qualifying Net Metering Facility (as defined herein) installed or with an accepted interconnection application where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the site served. Service is subject to the rules and regulations of the Cooperative and the New Mexico Public Regulation Commission ("NMPRC").

Standby Service will apply to any customer interconnecting generation greater than one (1) MW. Standby Service Rates for customers requiring Standby Service in excess of five (5) MW may be adjusted by the Cooperative's power Supplier Tri-State Generation & Transmission Association ("Cooperative's Power Supplier") and will be based on the specific circumstances of the Net Metering Facility, including operating characteristics, balancing authority arrangements and other factors.

Interconnection applications shall automatically expire six (6) months following approval by the Cooperative, if the customer has not constructed the Net Metering Facility and requested a final interconnection inspection by the Cooperative. The Cooperative may agree in writing to extend any particular interconnection applications for a longer period of time if, in its sole discretion, it determines that there are factors beyond the control of the applicant which have caused a delay.

Applications for interconnection must be submitted in accordance with the provisions of the NMPRC New Mexico Interconnections Standards Manual and New Mexico Public Regulation Commission Rule 17.9.568 NMAC.

DEFINITIONS

Definitions below apply to Net Metering Service offered under this Tariff.

Annual Avoided Cost means the Cooperative's wholesale fuel and energy costs filed annually with the New Mexico Public Regulation Commission.

Combined Heat and Power or CHP means a system that generates electricity and useful thermal energy in a single, integrated system such that the useful power output of the facility plus one-half the useful thermal energy output during any 12-month period must be no less than 42.5 percent of the total energy input of fuel to the facility.



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Customer Supply means energy (kWh) from a customer-owned Net Metering Facility that exceeds the customer's load at a point in time and is fed back into the Cooperative's electric system. as metered by the Cooperative.

Customer Purchase means energy (kWh) that is provided from the Cooperative to the customer to serve the load that is not being served by a customer-owned Net Metering Facility, as metered by the Cooperative.

Excess Generation means the Customer Supply (kW h) less the Customer Purchase (kWh) over a monthly billing period.

Fuel Cell means a device that converts the chemical energy of a fuel directly into electricity without intermediate combustion or thermal cycles. The source of the chemical reaction must be from Renewable Resources.

Net Metering means service to a customer under which electric energy generated by or on behalf of that customer from a Net Metering Facility and delivered to the Cooperative's local distribution facilities may be used to offset electric energy provided by the Cooperative to the customer during the applicable billing period.

Net Metering Facility means a facility for the production of electricity that:

- a. Is operated by or on behalf of the customer and is located on the customer's premises;
- b. Is intended primarily to provide part or all of the customer 's requirements for electricity;
- c. Uses Renewable Resources. a Fuel Cell or CHP to generate electricity;
- d. Has a generating capacity less than or equal to 120% of the customer's most recent twelve (12) month kWh consumption.
 Is interconnected with and can operate in parallel with the Cooperative's existing distribution system.

Qualifying Facility means a cogeneration or small power production facility that meets ownership, operating, and efficiency criteria established by the Federal Energy Regulatory Commission pursuant to the Public Utility Regulatory Policies Act.

Renewable Resource means natural resources that can be replenished by natural processes, including biomass, biogas, geothermal, hydroelectric, solar or wind.



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Standby Service means the Cooperative's retail service to customers who supply a part or all of their electrical requirements from an onsite generation facility. The self-generating customer remains connected to the Cooperative's power grid which is standing by to supplement or backup power needs at a moment's notice.

Time Periods Mountain Standard Time shall be used in the application of this rate schedule. Because of potential differences of the liming devices, there may be some variation in the timing for the pricing periods. In most instances the variation should not exceed 15 minutes.

APPLICATION

Net Metering allows the electric energy generated by the member from a Net Metering Facility and delivered to the Cooperative's distribution facilities to be used to offset electric energy provided by the Cooperative during the monthly billing period to the member. Service under this Tariff is subject to following conditions:

a. installation of a bidirectional meter;

b. availability of enhanced metering and billing system upgrades;

c. the rated capacity of the customer's Net Metering Facility does not exceed the Cooperative's service capacity;

d. the customer is compliance with all of the Cooperative's interconnection standards; and,

e. the customer has executed a Net Metering Application on a form approved by the Cooperative prior to being provided Net Metering Service.

TYPE OF SERVICE:

Single or Three-phase, 60 cycles, at the Cooperative's standard voltages.

METERING

Fifteen-minute time registration demand metering shall be required. The meter utilized for the service being provided to the Net Metering Facility shall be capable of being electronically read by the Cooperative and must be approved by the Cooperative.

SPECIAL TERMS AND CONDITIONS

 In order to protect its equipment from overload damage, the Cooperative may require customer to install at customer expense a shunt trip type breaker and an automatic polemounted disconnect, each of which is approved by the Cooperative. Such circuit breakers shall be under the sole control of the Cooperative and will be set by the



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Cooperative to break the connection with its service in the event customer's demand materially exceeds that for which the customer contracted.

- In the event customer's use of service is intermittent or the Cooperative determines is subject to substantial fluctuations, the Cooperative will require the customer to install and maintain at customer's expense suitable equipment to satisfactorily limit such intermittence or fluctuations.
- Customer's generating equipment shall not be operated in parallel with the Cooperative's service until the manner of such operation has been approved by the Cooperative and is in compliance with the Cooperative's operating standards for system reliability and safety.
- 4. The customer shall provide documentation stating the maximum capacity and anticipated reliability of the power source for which standby service is requested.
- 5. The customer shall be responsible for any requirements of the contractual arrangements between the Cooperative and its wholesale supplier Tri-State as applicable. Customer can obtain information on any such applicable requirements from the Cooperative. The Cooperative shall notify customer of any applicable changes that occur in the contractual relationship between the Cooperative and its wholesale supplier.

BILLING NET METERING

- A. During the monthly billing period for:
 - 1. Terms and conditions of service and billing to the customer will be at the Cooperative's approved rate applicable to the service provided to the customer.
 - Customer Purchases in excess of Customer Supply: The Cooperative shall bill the customer for the net kWh supplied by the Cooperative in accordance with the Cooperative's applicable Standard Retail Rate Schedule.
 - 3. Customer Supply in excess of Customer Purchases: The Cooperative shall issue a billing credit to the customer for the Excess Generation; provided however, that if a net amount is owed to the Qualifying Facility for Excess Generation that is less than \$50, this amount may be carried over to the following billing period. If the net amount owed to the Qualifying Facility



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for Excess Generation is \$50 or more, the Cooperative shall make payment to the Qualifying Facility prior to the end of the next billing period. The payment or credit will be determined at the Cooperative's Annual Avoided Cost.

In the event the customer's electric service is terminated, after applying a billing credit for any Excess Generation up to the amount the customer owes the Cooperative, the Cooperative shall issue a check for the remaining value of the Excess Generation balance.

STANDBY SERVICE

Standby Service is power supplied by the Cooperative when the customer's generation from the Net Metering Facility (under normal operations) does not meet all of the customer's energy needs. This type of customer generation requires the Cooperative to back up and supplement the customer's energy needs. To ensure a highly reliable supply of power to meet the needs of each customer, the Cooperative's Power Supplier must reserve and maintain sufficient capacity on the utility system. Capacity is a measure of available generation and grid access to ensure that power will flow to the end-use customer as needed. This reserved capacity benefits the Customer by assuring the availability of energy regardless of whether the customer actually uses such energy during a particular billing period.

- 1. Customers receiving Standby Service shall be billed by the Cooperative in accordance with the Billing Net Metering provision of this Tariff;
- Customer shall be responsible for payment of standby charges billed by the Cooperative's Power Supplier to the Cooperative, including but without limitation, charges under Power Supplier's Rate Schedule S Standby Service, including revisions or modifications thereto;
- 3. Customer shall be responsible for payment of the inspection and supervision fees imposed on the Cooperative by the NMPRC; and
- 4. Customer shall be responsible for any penalties or fees imposed on the Cooperative by any entity as a result of the operation of the customer's Net Metering Facility.



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QUALIFYING FACILITIES

The Cooperative may require Qualifying Facilities to negotiate some or all of the terms and conditions of interconnection to the Cooperative with the Cooperative's Power Supplier.,

SAFETY PROVISIONS:

- 1. An interconnection Customer shall separate from the utility system in the event of any one or more of the following conditions:
 - (a) a fault on the Net Metering Facility's system;
 - (b) a Net Metering Facility contribution to a utility system emergency;
 - (c) abnormal frequency or voltage conditions on the utility's system;
 - (d) any occurrence or condition that will endanger utility employees or customers;

(e) a Net Metering Facility condition that would otherwise interfere with the Cooperative's ability to provide safe and reliable electric service to other customers; or,

- (f) the sudden loss of the utility system power.
- 2. A visible open, load break disconnect switch between the Net Metering Facility and the Cooperative system that is visibly marked "generating facility generation disconnect" and is accessible to and lockable by the Cooperative is required for every Net Metering Facility except for those generating facilities with a maximum capacity rating of 10 kW or less that use a certified inverter including a self-contained renewable energy certificate (REC) meter and either:
 - (a) a utility accessible AC load break disconnect; or
 - (b) a utility accessible DC load break disconnect where there is no other source of generated or stored energy connected to the system.
- 3. Interconnection customers shall post a permanent and weatherproof one-line electrical diagram of the generating facility located at the point of service connection to the Cooperative. Net Metering Facilities where the disconnect switch required by Subsection B of 17.9.568.15 NMAC is not located in close proximity to the Cooperative meter must post a permanent and weather proof map showing the location of all major equipment including the Cooperative meter point, the Net Metering Facility generation disconnect, and the Net Metering Facility generation breaker. Non-residential Net Metering Facilities larger than 10 kW shall include with or attached to the map the names and current

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telephone numbers of at least two persons authorized to provide access to the Net Metering Facility and who have authority to make decisions regarding the generating facility interconnection and operation.

4. If the Net Metering Facility interconnection equipment package is not certified or if a certified equipment package has been modified, the Net Metering Facility interconnection equipment package shall be reviewed and approved by a professional electrical engineer, registered in the state of New Mexico.

SERVICE PROVISIONS:

<u>Delivery Point</u>. If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the customer. If the service is furnished at the Cooperative's primary line voltage, the delivery point shall be the point of attachment of the Cooperative's primary line to customer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the customer.

TERMS OF PAYMENT:

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

INTERRUPTION OF SERVICE

The Cooperative will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.



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